

**COMMONWEALTH OF KENTUCKY  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
INSTRUCTIONS FOR COMPLETION OF APPLICATION FOR:**

**CHECK CASHERS/DEFERRED DEPOSIT LICENSE**

**Please Mail Application to:**

Department of Financial Institutions  
1025 Capital Center Drive, Suite 200  
Frankfort, KY 40601

THE PACKAGE YOU HAVE RECEIVED CONTAINS THE FOLLOWING PERTINENT INFORMATION NEEDED TO MAKE APPLICATION TO THE DEPARTMENT OF FINANCIAL INSTITUTIONS. **PROCESSING TIME FOR A COMPLETED APPLICATION IS APPROXIMATELY 45 DAYS.**

- A) **KENTUCKY FINANCIAL SERVICES CODE CHAPTER 286.9. PLEASE READ THIS THOROUGHLY BEFORE APPLYING FOR A LICENSE.** MANY OF APPLICANT'S PRESENT AND FUTURE QUESTIONS ARE ANSWERED IN THE STATUTES.
- B) **THE APPLICATION FORM.** THIS SHOULD BE COMPLETED **AS SPECIFICALLY INSTRUCTED**, SIGNED AND NOTARIZED.
- C) **STATE LICENSE CONFIRMATION FORM.** THIS FORM IS **ONLY** FOR APPLICANTS WHO ARE CURRENTLY LICENSED AND OPERATING IN ANOTHER STATE (S). PLEASE COMPLETE THE "APPLICANT" PORTION AND **FORWARD** TO ALL STATES APPLICABLE.
- D) **PURSUANT TO KRS 286.9-040 THE APPLICANT HAS A CHOICE OF A FINANCIAL INSTRUMENT REQUIRED TO OBTAIN A LICENSE.** 1) AN IRREVOCABLE LETTER OF CREDIT (ILOC), WHICH CAN BE OBTAINED FROM YOUR BANK, IS TO BE USED FOR 286.9-040(1)(a); 2) AN ACCOUNT PAYABLE IN A FEDERALLY INSURED FINANCIAL INSTITUTION IN THIS STATE (TO THE COMMISSIONER, DEPARTMENT OF FINANCIAL INSTITUTIONS, COMMONWEALTH OF KENTUCKY) MAY BE USED FOR 286.9-040(1)(b) **OR;** 3) A SAVINGS CERTIFICATE OF A FEDERALLY INSURED FINANCIAL INSTITUTION IN THIS STATE (ESCROW AGREEMENT FORM ENCLOSED) MAY BE USED FOR 286.9-.040(1)(c). YOUR BANK SHOULD COMPLETE THE ESCROW AGREEMENT FORM.

THE FOLLOWING NAMES AND NUMBERS ARE LISTED FOR YOUR CONVENIENCE:

**LICENSING AND APPLICATION QUESTIONS – RODNEY GABBARD EXT. 251**  
**EXAMINATION AND REGULATORY QUESTIONS – CHRIS THOMPSON EXT. 243**  
**LEGAL OPINIONS – OFFICE OF GENERAL COUNSEL EXT. 233**  
**CONSUMER COMPLAINTS – ANDIE CUBERT EXT. 226**

**KENTUCKY SECRETARY OF STATE - 502-564-2848**  
**KENTUCKY DEFERRED DEPOSIT ASSOCIATION – 859-252-6868**



**APPLICATION FOR A CHECK CASHERS/DEFERRED DEPOSIT TRANSACTION LICENSE  
KENTUCKY CHECK CASHERS/DEFERRED DEPOSIT TRANSACTION ACT OF 1998**

COMPLETE **ALL** SCHEDULES USING AS MANY SEPARATE PAGES  
AS NECESSARY TO COMPLETE APPLICATION. PLEASE NUMBER  
EACH RESPONSE ACCORDING TO THE CATEGORY LISTED BELOW.  
IF A QUESTION IS NOT APPLICABLE, PLEASE SO STATE.

**PLEASE TYPE OR PRINT IN INK**

INCOMPLETE OR UNANSWERED QUESTION MAY RESULT IN TIME  
DELAYS OR RETURNED APPLICATIONS

DATE: \_\_\_\_\_

To the Commissioner, Kentucky Department of Financial Institutions:

The following hereby makes application for a license to conduct a CHECK CASHING/DEFERRED DEPOSIT  
TRANSACTION business as provided in Kentucky Financial Services Code Chapter 286.9, **at the following  
principal location\***:

\_\_\_\_\_  
(Complete Legal Name of Entity to be licensed - to include Assumed Name "DBA")

\_\_\_\_\_  
(Street Address, Suite or Apartment Number)

\_\_\_\_\_  
(City or Town, County, Zip Code)

\_\_\_\_\_  
(Telephone Number)

\_\_\_\_\_  
(FAX Number)

\_\_\_\_\_  
(Name of primary contact person to discuss application questions)

**\*Licenses are ADDRESS specific. Please show the correct address of the proposed place of business. If you are going to lease an office, PLEASE do so now. Most landlords will offer a lease on a "contingent" basis for potential clients who are starting a business that requires licensing.**

The following schedules, which include the information, required by Kentucky Financial Services Code Chapter 286.9, request information needed to enable the Commissioner of the Department of Financial Institutions to determine the feasibility of permitting your firm to engage in operating a check cashier/deferred deposit business:

1. Please state if the Applicant is presently engaged in the business of Check Cashing or Deferred Deposit Transactions in any other state. If **YES**, list the states in which Applicant is operating, the type of license held, and the date business was commenced in these states. **Fill out the enclosed STATE LICENSE CONFIRMATION form, per instructions, and forward to all states in which you are currently licensed.**

2.
  - a) If INDIVIDUAL (SOLE PROPRIETOR) is applying, please give complete name (first, middle/maiden, last), social security number, residence address and phone number, and business address and phone number.
  - b) If PARTNERSHIP or a LLP is applying, please give complete name, social security number, residence address and phone number, business address and phone number, and PERCENT of ownership of each partner.
  - c) If CORPORATION or a LLC is applying, please give complete name, social security number, residence address and phone number, business address and phone number and PERCENT of ownership of officers, directors and anyone owning more than five percent (5%).
3.
  - a) If INDIVIDUAL is applying, please submit a copy of the required local business registration. If you are using an Assumed Name "DBA", this also has to be registered with local government and a copy sent to the Department.
  - b) If PARTNERSHIP, LLP, CORPORATION or LLC is applying, please submit copies of Partnership agreements, Articles of Incorporation, etc., and related appropriate filings which have been file stamped by the KENTUCKY SECRETARY OF STATE. This includes Certificates of Assumed Name (DBA). Out of State Corporations shall obtain a Certificate of Authority to do business in Kentucky. Please include corporate tax I.D. number.
4. If the headquarters (corporate office, etc.) of the APPLICANT is located outside Kentucky, please list complete street address, mailing address (if different), phone number and fax number.
5. Submit a current (within 90 days) financial statement of the Applicant; **compiled, reviewed OR audited**, by a Certified Public Accountant. **If this is a new venture, it must be capitalized sufficiently to carry on a new business. An initial balance sheet, as well as a 12 month projected cash flow statement and business plan, must be submitted.**
6. Submit a resume of the owners and managers.
7. Submit current, signed and dated, financial statements on anyone owning more than five percent (5%) of the Applicant. This does not have to be prepared by a CPA.
8. If you are engaged, or intend to engage, in any business other than that allowed by KRS Chapter 286.9, please state the name and type of business conducted.
9. If any other entity is conducting business at the proposed licensed location(s), please state the name and type of business conducted.
10. APPLICANTS shall comply with all workers and unemployment compensation laws of Kentucky. Please submit copies of appropriate documentation. If this is not applicable, please explain.
11. List the name and address of any AFFILIATES (businesses with common ownership) of the Applicant.
12. Should the APPLICANT want to open additional branch offices at this time, please list the complete street address, phone number and manager's name. (Should the Applicant wish to open a branch office in Kentucky anytime in the future, please submit a written request to the Department to include the above mentioned information and the required license fee.)

13. a. Has the Applicant or any of its employees, agents, officers, or directors **ever** been **convicted** in any state or federal court of any crime (not including motor vehicle traffic misdemeanors)?

YES\_\_\_\_\_ NO\_\_\_\_\_

- b. Has the Applicant or any of its employees, agents, officers, or directors ever been the subject of any disciplinary actions (cease and desist orders, consent orders, injunctions, license suspensions, or revocation, etc.) by any regulatory agency, state or federal?

YES\_\_\_\_\_ NO\_\_\_\_\_

- c. Has the Applicant or any of its employees, agents, officers, or directors ever been refused any license (except motor vehicle operator) by the Department of Financial Institutions or any other state or federal government agency or has such an application ever been withdrawn?

YES\_\_\_\_\_ NO\_\_\_\_\_

- d. Has the Applicant or any of its employees, agents, officers, or directors ever been a party to litigation in which it was alleged that the Applicant, employee, agent, officer or director: engaged in fraudulent or dishonest conduct; failed to comply with any state or federal regulatory requirements; **or** committed any breach of contract or tort relating to their business dealings?

YES\_\_\_\_\_ NO\_\_\_\_\_

**If the answer to any of the foregoing is YES, explain the circumstances fully, using as many additional sheets as necessary. Please include any pertinent documentation.**

14. If any of the owners of the Applicant know of any derogatory information on their personal credit report, please have the individual submit a written explanation and any pertinent documentation (paid receipts, agreed orders, etc.).
15. Please submit the required IRREVOCABLE LETTER OF CREDIT or the ESCROW AGREEMENT, pursuant to KRS Chapter 286.9-040.
16. Please submit a copy of the fee disclosure, to include the disclosure required by the Consumer Credit Protection Act (15 U.S.C. sec. 1601 - commonly known as REG. Z)
17. Please submit the completed application together with an investigation fee of five hundred dollars (\$500) **for each location**. This fee shall not be subject to refund, but which, if the license is granted, shall constitute the license fee for the first license year or part thereof. The check shall be made payable to the **KENTUCKY STATE TREASURER**. **---PLEASE DO NOT STAPLE the check to the application.**

**IMPORTANT NOTES: (avoid violations and monetary penalties/fines – READ KRS 286.9)**

- A) **EACH LICENSEE SHALL RENEW ANNUALLY ON OR BEFORE JULY 1st. RENEWAL NOTICES WILL BE SENT TO THE PRINCIPAL OFFICE. THE RENEWAL FEE WILL BE \$500 PER LICENSED LOCATION.**
- B) **THE DEPARTMENT SHALL BE NOTIFIED 15 DAYS IN ADVANCE IN THE EVENT OF A NAME CHANGE OR ADDRESS CHANGE.**
- C) **PURSUANT TO KRS 286.9-.070(2), THE LICENSE IS NOT TRANSFERABLE OR ASSIGNABLE. ANY MINORITY SALE OF FIVE PERCENT (5%) OR MORE SHALL BE REPORTED TO THE DEPARTMENT PRIOR TO THE TRANSFER. ANY SALE OF MORE THAN FIFTY PERCENT (50%) MAY CONSTITUTE THE NEED FOR A NEW APPLICATION FOR LICENSING.**

**SIGNATURE AND NOTARY PAGE FOR APPLICATION**

**AND**

**CONSENT TO REQUEST CREDIT REPORT**

As a part of its statutory responsibility, the Department of Financial Institutions is authorized to investigate applicants to determine eligibility for licensing. The Department is authorized generally to investigate any audits, examinations, complaints, reports, etc., suggesting the possibility of unlawful activity involving regulated institutions. In the course of its investigations, the Department of Financial Institutions may procure or cause to be prepared a consumer credit report on individual(s) or entity (ties).

The undersigned has informed each and every person or entity (whose names appear on the application) involved in the proposed enterprise that the Department of Financial Institutions may procure or cause to be prepared a consumer credit report on him/her/it. The undersigned is authorized by each and every person or entity named on the application to give permission for the Department of Financial Institutions to procure or cause to be prepared such a report. In accordance with that authorization and permission, the undersigned, for himself or herself and as a representative and agent for each and every person or entity involved in this enterprise, acknowledges and gives permission for the Department of Financial Institutions to procure or cause to be prepared a consumer credit report on each and every person or entity involved in this application during the licensing process and any time thereafter should the Department be required to investigate any audits, examinations, complaints, reports, etc., suggesting the possibility of unlawful activity.

\_\_\_\_\_  
**Authorized Signature and Title**

**STATE OF** \_\_\_\_\_  
**COUNTY OF** \_\_\_\_\_

I, \_\_\_\_\_, hereby declare on my oath that I have  
(Name of person signing application)  
executed this application and that the facts stated in the application are true and correct. I further state that I have read and will comply with Kentucky Financial Services Code Chapter 286.9.

\_\_\_\_\_  
**Signature of Applicant**

**Subscribed and sworn to before me this**  
**day of** \_\_\_\_\_, 2\_\_\_\_.

\_\_\_\_\_  
**Notary Public - State at Large**  
**My Commission Expires:** \_\_\_\_\_